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TAGS: [PGOV](#) [PREL](#) [PINR](#) [MX](#)  
SUBJECT: MEXICO'S PRI LOOKING TO REFORM STATE, LIMIT  
CALDERON

REF: A. MEXICO 2126  
[1](#)B. MEXICO 2150  
[1](#)C. MEXICO 1895

Classified By: Political Counselor Charles Barclay.  
Reason: 1.4 (b), (d).

[1](#)1. (C) Summary. The Institutional Revolutionary Party (PRI) wants to shift the balance of power in Mexico's political system, with the goal of strengthening Congress vis-a-vis the Presidency and further empowering the states. The party can count on some support from the Revolutionary Democratic Party (PRD). A Machiavellian political calculus drives the PRI to push for a stronger Congress, and a reinforced federalist system. However, some of the proposed measures are nonetheless guided by sectors of the party who genuinely want to see Mexican democracy consolidated and advanced. While the long-term impact of such efforts may be mixed, the PRI will be able to leverage its legislative position to distinguish itself from its competitors, complicate life for Calderon, and equip governors with even more powerful patronage mechanisms. End Summary.

#### PRI Looks to Political System Reform

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[1](#)2. (C) Party leader Beatriz Paredes announced on July 27 that the PRI will seek reforms to tilt Mexico's political system in the direction of "semi-presidentialism," with the end goal of strengthening Congress vis-a-vis the Presidency and further empowering the states. In private conversations with Poloff, PRI contacts had anticipated Paredes' public address, indicating that "State Reform" will be one of the party's priorities beginning in the new legislative period on September 1. Paredes cited a need to rectify the "dysfunctional" relationship between the legislature and the executive and noted that the PRI established a working group to address this concern.

[1](#)3. (C) State reform has long been on the PRI's formal agenda, in part as a politically pragmatic way to apply limits to a non-PRI President, and in part to consolidate Mexico's transition to democracy by constructing a political system with proper checks and balances. In its 2009-2012 electoral platform, the party cited such reform as a key priority; following its success in the July 5 midterm elections, the PRI is now emboldened to push for such legislation. The agenda is broad-ranging, and includes state and government, federalist, justice, social, and electoral reform proposals,

some of which have already been passed. PRI post-election rhetoric suggests that the party will focus on passing those laws that strengthen Congress and the states, thus curbing Calderon's activities and boosting PRI's chances in the 2012 presidential elections. Moreover, on July 28, PRD Senator Tomas Torres told Poloff that the PRI will attempt to distinguish itself from other parties this congressional period and develop a strong legislative record it can use as a platform for the 2012 presidential contest. He speculated that some state reform measures, along with budget negotiations and economic issues, would be a useful mechanism for the party to accomplish this goal.

#### Bolstering Congress, Influencing the Cabinet

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¶4. (C) Paredes has publicly called for a number of measures to realign balance between Congress and the Presidency. She, and other PRI leaders, have said that the party will advocate for measures that grant Congress the right to ratify cabinet appointments and evaluate the appointee's performance. Political analyst and PRI insider Sabino Bastidas told Poloffs on July 30 that the proposals are geared toward strengthening Congress against the Presidency and improving communication between the two branches of government. Currently, the formal communication mechanism in place is a subsecretary level office of legislative affairs in the Ministry of Government; Bastidas argues that this is too low-level to serve as a truly open line between Congress and Los Pinos. Bastidas also noted that more bellicose calls from PRI leaders to give the legislature authority to select and dismiss members of the cabinet are intended more as

bargaining chips than realistic goals. For example, Emilio Gamboa, the outgoing leader of the PRI bloc in the Chamber of Deputies, told Poloffs last year that Congress, not the President, should have complete control in selecting and removing the Attorney General.

¶5. (C) Bastidas said that PRI Senate leader Manlio Fabio Beltrones will be the author of various initiatives and a key proponent of the party's agenda. The PRI advocates the creation of a Chief of Cabinet which would be named by the President and ratified by the Senate, and which could also revoke its ratification by a 2/3 majority vote. The Chief of Cabinet would serve as an interlocutor with Congress and the states, give monthly reports to Congress on the activities of the federal government, and periodically attend legislative sessions to answer questions posed by Congress. Some observers claim this Chief of Cabinet position is an attempt by Beltrones to assume a Putin-esque Prime Ministership that would allow him to influence deeply the next PRI administration if he were not selected as candidate. Others argue that it represents a genuine desire to deal with an ineffective Cabinet and subpar communication with Congress.

¶6. (C) PRD Senator Tomas Torres told Poloff that the PRI will tweak additional legislation in a bid to prevent the President from becoming increasingly powerful. Torres suspects that the PRI, likely with PRD support, will propose modifications to the National Security Law that President Calderon presented last session. The PRI will try to legislate and codify the military's role in domestic issues by imposing a 2-3 year deadline for the military's domestic counterdrug deployment. Congress will then have authority to review its performance and decide whether or not to renew the mandate. Torres also noted that if the results from a presidential election fall within a small margin of difference, Congress may consider a law authorizing the Senate to hold a runoff vote and select the President.

#### Modernizing Congress

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¶7. (C) In addition to strengthening Congress, the PRI is interested in modernizing the legislature by making both chambers smaller and more efficient. Paredes has said that the party will consider reducing the 200 plurinominal

legislators in the Chamber of Deputies (down to 100, according to Torres) and eliminating the entirely from the Senate. Elements of the PAN, PRD, and civil society are also on board with versions of these proposals. Selected from party lists rather than directly elected by voters, these plurinominal seats have long been viewed as a means to stack Congress with the party faithful and to pay political debts. This suggests that a large portion of Congress is filled with leaders more accountable to their sponsoring authority -- the party -- rather than any constituency. The PRI has paid lip service to facilitating communication between civil society and the legislature, but it is short on proposals for specific mechanisms. The PRD and PAN have discussed the possibility of opening debate on allowing for reelection of deputies, but the amount of concrete support behind this politically and culturally sensitive initiative is unclear.

#### Strengthening the States

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18. (C) PRI contacts told Poloff that the party will look to "correct imbalances" and give greater authorities to the already strong state governments. Outgoing PRI Federal Deputy Samuel Aguilar told Poloffs that the party will seek to give a greater portion of the budget and control over spending to the states (ref a). Senator Torres and other observers have said such efforts might include breaking up the Secretariat of Social Development (SEDESOL) among the different states. The PRI has also discussed, the possibility of granting state governors broader taxation powers, which are almost entirely vested in the federal government. State governments, which are highly dependent on the federal government for funding, already have virtually free license to spend budgets as they please. The President, with the help of his PAN, may look to block these measures. With 19 PRI out of 31 state governorships currently in power,

and with ten state elections next year in which the party is expected to do well, PRI governors with greater discretionary spending authority will be a powerful electoral tool in the run-up to the 2012 presidential election.

#### Comment

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19. (C) Following the party's election win and desperate desire to recapture the presidency in 2012, a Machiavellian political calculus drives the PRI's decision to push for a stronger Congress and reinforced federalist system. Nevertheless, the PRI's state reform proposal is also partially guided by sectors of the party who genuinely want to see Mexican democracy consolidated and advanced. For example, the party's calls for important justice system changes like presumption of innocence and the use of alternative dispute mechanisms were included in Calderon's 2008 constitutional reform package (ref b). The current ideas floated to reform Mexico's political institutions revisit a package of reforms advanced by Senator President Manlio Fabio Beltrones in late 2006. That effort was bogged down for lack of common ground among the major parties. The PRI may now be able to usher these reforms through successfully given post-July 5 legislative realities, particularly if it can count on PRD support. Some of the PRI's initiatives often dovetail nicely with those of key civil society organizations, such as Alejandro Marti and his Observation for Citizen Security, which called for similar measures during the midterm election campaigns (ref c).

110. (C) Modernizing Congress and balancing presidential power could serve as steps forward in Mexico's democratic transition; few impartial observers argue that reducing the number of plurinominal legislators or allowing for limited re-election would make elected officials less accountable to constituents. Other initiatives, however, could reinforce already problematic tendencies. For example, giving state governments even greater discretionary spending authority would risk larger losses due to graft, increased use of social spending purely for political gain, and more

inefficient spending practices as state leaders already lack the infrastructure and capacity to absorb effectively federal transfers in some localities. While the long-term impact of initiatives may be mixed, the PRI almost certainly will be able to leverage a legislative record to differentiate itself from its competitors, complicate life for Calderon, and equip governors with even more powerful patronage mechanisms.

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